(1) Acquisition costs will be assisted on the basis of the price paid or the appraised fair market value, whichever is less. Costs incurred pursuant to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, appraisal costs and other reasonable incidental costs associated with the acquisition.

(2) Construction costs associated with developing the right-of-way for recreation use.

(3) Project-related planning required for the acquisition, development and use of the abandoned rights-of-way including master planning, the preparation of development plans and specifications and surveys.

(4) Legal costs, audit costs, inspection fees, and project administration costs.

(b) Cost overruns will not be eligible for reimbursement. This means that no additional funding will be extended once a project is approved. Any cost overrun incurred on a project must be funded by the grantee.

(c) Principles and standards for determining costs applicable to State and local grants are found in Federal Management Circular 74–4 and part 670 of the Bureau of Outdoor Recreation Manual.

§ 64.10   Matching share.

The State or local applicant's matching share may consist of cash, or in-kind contributions consistent with guidelines set forth in Attachment F of OMB Circular A–102.

§ 64.11   Project performance.

The State or local applicant shall be responsible for insuring the project is carried through to stages of completion acceptable to the Bureau of Outdoor Recreation with reasonable promptness. Financial assistance may be terminated upon determination by the Bureau of Outdoor Recreation that satisfactory progress has not been maintained.

(a) *Acquisition Procedures.* All acquisition must conform to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Pub. L. 91–646, as set forth in the Bureau of Outdoor recreation Manual, part 645. Real property must be appraised before the initiation of negotiations, and the property owner given a statement of just compensation for his property. In no event can the amount established as just compensation be less than the fair market value established by the approved appraisal.

(1) *Appraisals.* The State or local applicant should secure at least one appraisal of the appropriate type by a qualified professional appraiser for each parcel to be acquired. Standards for appraisals shall be consistent with the current Uniform Appraisal Standards for Federal Land Acquisition, published by the Land Acquisition Conference and as set forth in Bureau of Outdoor Recreation Manual, paragraph 675.2.5.

(2) *Appraisal Review.* The appraisal will be reviewed and approved by a qualified staff or fee appraiser prior to the initiation of negotiations. The Bureau reserves the right to review all appraisal documentation prior to or after the acquisition.

(3) *Record Retention.* All documentation supporting the acquisition of land and improvements, or interests therein, must be kept available for examination by duly authorized representatives of the Bureau, the Department of the Interior and the General Accounting Office. All such records shall be retained and be available for inspection for a period of three years after final payment by the Federal Government.

(b) *Development Procedures.* Development work may be accomplished by contract or by force account. Allowable construction costs cover all necessary construction activities, from site preparation to completion of the facility.

(1) *Construction by Force Account.* Labor costs charged to a project for force account work will be based on payrolls documented and approved in accordance with generally accepted accounting practices of the State or local agency. Payrolls must be supported by time and attendance or equivalent records for individual employees. Salaries and wages of employee chargeable to more than one cost objective will be supported by appropriate time distribution records. The method used should produce an equitable distribution of time and effort. Costs for equipment owned by the participant may be